

Message Text

PAGE 01 STATE 130496

61

ORIGIN XMB-04

INFO OCT-01 ARA-10 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 PA-02 PRS-01 /069 R

66617

DRAFTED BY: XMB:AMOHANIAN

APPROVED BY: EB/OCA/REP:LAKLIEFORTH

XMB:WARREN W. GLICK, ACTING EXECUTIVE VP

EB/IFD/ODF:RASWART

ARA/MEX:GFALK

----- 051579

R 042141Z JUN 75

FM SECSTATE WASHDC

TO AMEMBASSY MEXICO

UNCLAS STATE 130496

E.O. 11652: N/A

TAGS: APUB, MX

SUBJECT: PRESS RELEASE ON EXIMBANK CREDIT TO HOJALATA Y LAMINA
S.A. (HYLSA)

FOR YOUR INFORMATION ONLY, FOLLOWING IS FINAL TEXT OF EXPORT-
IMPORT BANK RELEASE ON THE DIRECT CREDIT OF \$5.4 MILLION TO
HOJALATA Y LAMINA S.A. (HYLSA). RELEASE IS SCHEDULED FOR
ANNOUNCEMENT HERE IN WASHINGTON, DC FOR AM PAPERS, WEDNESDAY,
JUNE 18, 1975.

QUOTE: EXIMBANK CREDIT OF \$5.4 MILLION SUPPORTS \$12 MILLION
SALE OF U.S. STEEL PLANT EQUIPMENT TO MEXICAN COMPANY

TO HELP FINANCE A \$12 MILLION SALE OF U.S. EQUIPMENT AND SERVICES
TO HOJALATA Y LAMINA S.A. (HYLSA) OF MONTERREY, MEXICO, THE
BOARD OF DIRECTORS OF THE EXPORT-IMPORT BANK OF THE UNITED STATES
HAS AUTHORIZED A DIRECT CREDIT OF \$5.4 MILLION, ACCORDING TO
EXIMBANK'S CHAIRMAN WILLIAM J. CASEY.
UNCLASSIFIED

PAGE 02 STATE 130496

HOJALATA Y LAMINA WILL USE THE CREDIT AS PART OF ITS PLANNED
UPGRADING OF ITS INGOT PRODUCTION CAPACITY. U.S. PURCHASES WILL
INCLUDE EQUIPMENT AND FACILITIES FOR THE MODIFICATION OR IMPROVE-
MENT OF ELECTRIC FURNACES, CRANES, HOT ROLLING MILL, COLD ROLLING

MILL, PICKLING LINE, ANNEALING LINE AND WATER TREATMENT SYSTEM
FROM VARIOUS SUPPLIERS.

THE EXIMBANK CREDIT REPRESENTS 45 PERCENT OF THE TOTAL U.S. SALE.
A LOAN OF \$5.4 MILLION FROM PRIVATE SOURCES NOT YET DESIGNATED
WILL FINANCE ANOTHER 45 PERCENT OF THE U.S. COSTS AND HOJALATA
Y LAMINA WILL MAKE CASH PAYMENT OF 10 PERCENT, REPRESENTING THE
BALANCE OF THE U.S. COSTS.

INTEREST ON EXIMBANK'S LOAN WILL BE AT 8 PERCENT PER ANNUM.
THIS RATE, COMBINED WITH THE ESTIMATED INTEREST RATE FROM PRIVATE
SOURCES WHICH IS BASED ON CURRENT RATES, WILL RESULT IN A BLENDED
ANNUAL INTEREST COST TO THE BORROWER OF 8.4 PERCENT TO 8.7
PERCENT.

THE LOANS ARE TO BE REPAID IN 20 SEMIANNUAL INSTALLMENTS BEGINNING
MAY 10, 1977, WITH EXIMBANK'S CREDIT TO BE REPAID OUT OF THE LAST
10 INSTALLMENTS. UNQUOTE. KISSINGER

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 04 JUN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE130496
Document Source: ADS
Document Unique ID: 00
Drafter: XMB:AMOHANIAN
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D750196-0233
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t197506100/baaaalsg.tel
Line Count: 74
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ORIGIN XMB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 03 FEB 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 FEB 2003 by PhilliR0>; APPROVED <18 FEB 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> wfs 971002
Subject: n/a
TAGS: APUB, MX
To: MEXICO
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006